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BUILDING ORGANIZATIONAL CAPABILITY THROUGH A QUALITY ASSURANCE PROGRAM WITHIN A BUSINESS SCHOOL AND ENCOURAGING ORGANIZATIONAL CULTURE CHANGE

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Abstract

This study explores organizational capability and culture change through a project developing an assurance of learning program in a business school. In order to compete internationally for high quality faculty, students, strategic partnerships and research collaborations it is essential for Universities to develop and maintain an international focus and a quality produce that predicts excellence in the student experience and graduate outcomes that meet industry needs. Developing, marketing and delivering that quality product requires an organizational strategy to which all members of the organization contribute and adhere. Now, the ability to acquire, share and utilize knowledge has become a critical organizational capability in academia as well as other industries. Traditionally the functional approach to business school structures and disparate nature of the social networks and work contact limit the sharing of knowledge between academics working in different disciplines. In this project a community of practice program was established to include academics in the development of an embedded assurance of learning program affecting more than 5000 undergraduate students and 250 academics from nine different disciplines across four schools.

The primary outcome from the fully developed and implemented assurance of learning program was the five year accreditation of the business schools programs by two international accrediting bodies, EQUIS and AACSB. However this study explores a different outcome, namely the change in organizational culture and individual capabilities as academics worked together in teaching and learning teams. This study uses a survey and interviews with academics involved, through a retrospective panel design which contained an experimental group and a control group. Results offer insights into communities of practice as a means of addressing organizational capability and changes in organizational culture. Knowledge management and shared learning can achieve strategic and operational benefits equally within academia as within other industrial enterprises but it comes at a cost. Traditional structures, academics that act like individual contractors and deep divides across research, teaching and service interest served a different master and required fewer resources. Collaborative structures; fewer master categories of discrete knowledge areas; specific strategic goals; greater links between academics and industry; and the means to share learned insights will require a different approach to resourcing both the individual and the team.

Keywords: Assurance of Learning, Communities of Practice, Organizational Capability.

1 INTRODUCTION

In an atmosphere of change tertiary institutions throughout Australia are currently addressing questions of quality assurance in learning and teaching. "Quality assurance" is defined as the process by which the educational institutions measure learning outcomes against a set of specific goals and objectives (Hall and Kro 2006). Questions regarding quality in tertiary education in Australia have been linked to government funding decisions for institutions, increased numbers of international students choosing to study in Australia; increasing numbers of students generally seeking to continue their education after high school and the need for greater national consistency. New regulations were released by Tertiary Education Quality and Standards Agency (TEQSA 2011) on the 7th April, 2011. TEQSA is an independent body with powers to register university and non-university higher education providers, monitor quality and ensure standards.

TEQSA is a Commonwealth statutory authority established under the *Financial Management and Accountability Act 1997*. The Agency identifies that institutions will be required to demonstrate that their graduates have the capabilities that are required for successful engagement in today's complex world. The benefits are identified as multiple and suiting a range of stakeholders. Taxpayers benefit

through identifying value for money in the national interest; employers have greater confidence in graduate capabilities; higher education providers can clearly demonstrate students' academic performance from the documentation of what students learn and know and can do. Students benefit from improved information on what institutions are offering, helping them to make informed decisions about what and where they will study.

Assessment of Learning or assurance of learning is one of the most frequently discussed topics in tertiary education today (Martell and Caldron 2009). In the past, indirect measures such as student feedback from specific units and course experience questionnaires and reports from courses identified as underperforming for reasons related to enrolment and retention have provided measures of quality. Direct measures involve the capturing, monitoring and evaluating of data specific to student achievement related to program goals. Developing programs for capturing and monitoring direct measures are providing a new direction for quality in tertiary education. Assurance of learning requires choosing, creating and innovating effective measures for assessing student accomplishments. The measures selected need to fit with the goals determined for the program and the pedagogues used as well as the circumstances of the institution (Zhu and McFarland). In addition it is recommended that if assurance of learning is to be effective academics need to be involved in this process of determination. Hollister and Koppel (2007) identified that the assessment process requires the broadening of our thinking from one of being unit or subject centred to one of focusing on the program as a whole, to build program goals, measure program outcomes and make adjustments to the program curriculum. However academics have traditionally been the experts in their own fields with little requiring them to work across disciplines with programs. Working across disciplines within programs requires new skills in academia that have not been encouraged in the past.

One Australian Business School (THE SCHOOL) that chose international accreditations more than 10 years ago as part of its competitive advantage has recently implemented an assurance of learning process to assure quality in its learning and teaching. Establishing a competitive advantage is increasingly important in the Business School environment and indeed within Higher Education generally. Australian Universities face increasing competition both nationally and internationally (Coaldrake 2, March 2011 National Press Luncheon). In order to compete internationally for high quality faculty, students, and research collaborations it is essential to have an international focus and a quality product that predicts excellence in the student experience and graduates that meet industry needs. Developing, marketing and delivering that quality product necessitates an organisation strategy and a structure to which all members of the organisation contribute and adhere. A focus on the quality of a program rather than merely the quality of its parts presents a new understanding for those working in academia.

One of the reasons THE SCHOOL established a new quality assurance program was the accreditation process of two of the accrediting bodies was imminent. While other reasons such as effective assessment processes; measurable student outcomes and industry support, were important, addressing the needs of accreditation were paramount. In establishing the process THE SCHOOL recognised that many academics had not participated before in decision making across disciplines for the greater good of the program. Traditionally academia has been the premise of the individual as the "expert", the harbinger, of all that is the accepted 'body of knowledge' in an area. The ability to acquire, share and utilise knowledge has become a critical organisational capability in academia overcoming discipline boundaries that can restrict effective collaboration. Institutions of higher education now require faculty staff to acknowledge the increasing rates of knowledge creation, identify the relevant, over the 'fad', and work together to continuously improve programs and meet changing demands (Tippins 2003).

Two communities of practice were established to support the process and the academics involved in the decision making in the program. A community of practice provides a forum through which members can meet and exchange ideas and form self supporting networks. It can provide benefits in support and mentoring of those new to the group; a network for learning and sharing information and a development opportunity to identify those members who are suitable for further experience or more career opportunities. A common feature is a regular meeting often in the form of a seminar or workshop with guest presenters (Turner 2009).

Over the course of 18 months, the assurance of learning process was developed and established. The communities of practice met regularly to discuss the process of developing quality assurance as well as the outcome of the program which measured student achievement with program goals. These groups analysed the information and advised on changes to the undergraduate program. The accreditation process with the two international bodies was undertaken. One review board wrote

“there is a very well developed and executed AoL program for undergraduate programs that is widely known and understood by faculty and students”. The communities of practice achieved their goals; that of including faculty into the decisions related to student achievements and program goals and to analyse these to determine required changes. This study seeks to understand the developments in organisational capability and changes in organisational culture that may have occurred as a result of the implementation of the communities of practice. It asks the question: *What changes in capability and culture occurred as a result of individual academics from various disciplines working together in two communities of practice to implement an assurance of learning process?*

1.1 Organizational capability

Organisational capability is defined as an ability to perform a coordinated task, utilizing organisational resources, for the purposes of achieving a particular end result (Helfat 2003). It has developed in importance over the past decade to acknowledge the rapidly changing nature of organizations and the inter-complexity of restructuring and culture change in searching for competitive advantage. Turner (2009) suggests that an organization can have capability over and above the competency of its individuals as the whole is greater than the sum of its parts. But clearly these individual competencies need to be shared, managed and encouraged through new ways of thinking and acting in order to meet the needs of the organization and its strategic direction. “Capable people are those who: know how to learn; are creative; have a high degree of self-efficacy; can apply competencies in novel as well as familiar situations; and work well with others.” Hase (2000). It differs from competency in that it is an holistic attribute. Capable people are more likely to deal effectively with a turbulent environment through their preparedness for continual change. Graves (1993); and Stephenson and Weil (1992) suggest that the application of capability is through the creation of innovative learning experiences which develop the individual elements of capability. They believe this to be true in educational settings as well as other workplaces. Hase, Cairns and Malloch (1998) through a two part process of identifying what is a capable organisation interviewed approximately 80 people to understand the factors of capability in individuals. These factors include working in teams; competent people; visible vision and values; ensuring learning; managing complex change; demonstrating human aspects of leadership; change agents; involving people in change; management development; commitment to organisation development.

1.2 Organizational culture

Culture is defined as: “A pattern of shared basic assumptions – invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration - that have worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems” (Schein, 1992, P. 9). Today the powerful links between culture and performance are well recognized however managing the links remains difficult. Organisations endeavouring to change their culture to influence performance have implemented TQM initiatives, downsizing and reengineering initiatives as well as quality initiatives but quality initiatives usually fall short (Cameron 1997).

A variety of measures of organisational culture have been proposed and one widely used in Australia is that based on Quinn's competing values model. It originally emerged from empirical research on the question of what makes organizations effective (Quinn and Rohrbaugh, 1983). It has since been extended as a framework that makes sense of high performance in regard to numerous topics in the social sciences and organizations.

“The basic framework consists of two dimensions—one drawn vertically and the other drawn horizontally—resulting in a two-by-two figure with four quadrants. When studying the effectiveness of organizations more than two decades ago, we noticed that some organizations were effective if they demonstrated flexibility and adaptability, but other organizations were effective if they demonstrated stability and control. Similarly, we discovered that some organizations were effective if they maintained efficient internal processes whereas others were effective if they maintained competitive external positioning relative to customers and clients (Quinn & Rohrbaugh, 1981; Quinn & Cameron, 1983; Cameron, 1986). These differences represent the different ends of two dimensions, and these dimensions constitute the rudiments of the CVF.” (Competing Values Company (accessed 2011).

Further, Lamond (2003) studied 462 Australian managers' perceptions of their organizations and concluded that the Organisational Culture Assessment Instrument used by the Competing Values Framework provides a measure that is a useful one in an Australian context.

In Australia the higher education sector is grappling with the development of a curriculum designed to cater to government and industry pressure for the production of graduates fit for a knowledge economy, substantial increases in student enrolment and a reduction in financial support offered by the government. In response to this pressure Dawson, Burnett and O'Donohue (2006) suggest higher education institutions are implementing the principles of community.

2 METHODOLOGY

This project uses a cross sectional or co relational design. It involves researching an issue after the fact through a survey of two groups of people after an event. One group is a random sample of people who were part of the communities of practice and the other group are people who were not members of the communities of practice. Conclusions are drawn about the effectiveness of the communities of practice. The benefits of this design is that it is better than interviewing one group i.e. those who were part of the project, but the potential problem is that the two groups may differ in other ways apart from their involvement in this project (DeVaus 2002), for example those in the community of practice may be there because they wished to work in teams and those outside the communities of practice may not wish to be part of academic teaching teams.

Two groups of people were surveyed through a questionnaire and interviews. The first group is a sample of academics working in a community of practice group to implement a new process of quality assurance of learning. The second group is a sample from a control group consisting of individuals not working in a community of practice to implement assurance of learning. Those surveyed will be interviewed to confirm their different understandings of their organisations' approach to building organisational capability and culture and to explore further the concepts surveyed in the questionnaire.

2.1 Population

There are approximately 250 members of the academic community in THE SCHOOL. Of this number 30 members were part of the Assurance of Learning community of practice within the faculty. Volunteers were called for from each group.

2.2 Sample

A sample of 10 members of the community of practice group and 10 members of the school not working in the community of practice were surveyed for this study.

2.3 Data Collection Survey and Interviews

Two survey instruments were chosen. The Organizational Culture Assessment Instrument (OCAI) was used to diagnose the culture of the organisation as perceived by its members. The short version which contains 6 items was used. Although there are longer versions, the short version has been found to be equally predictive of an organization's culture (Cameron & Quinn 2004).

In determining critical elements of organisational capability Hase Cairns & Malloch (1998) interviewed 79 people from organisations that had been identified as "capable". Their list of what constitutes a capable organisation is available in their paper. Their organisation capability questionnaire was tested on a random sample of MBA students. Using principal components analysis with equamax rotation and Cronbach's Alpha Reliability Test, ten factors were identified which explained .67 of the total variance. I use a sample of their organisational capability questionnaire in this study.

Five questions were put to each participant at the interview.

Can you tell me about the last time you believe that your creativity and innovation was utilised and accepted into day today practice within the faculty?

Can you tell me about the last time you were resourced sufficiently and supported by the faculty to develop or delivery on your innovation?

Can you tell me about your experiences in developing your competencies as an academic in the faculty?

Can you tell me about your experiences in a team of innovative academics within this faculty?

Can you tell me about your experiences within the faculty that demonstrates its forward thinking culture?

3 RESULTS

At the final date for the forwarding of this paper for the conference the last of the questionnaires and interviews were not available or had not been undertaken. A total of 7 questionnaires and 9 interviews had been undertaken. However by the time of the presentation it is envisioned that all data will be collected and analysed. Please do not use the data in this paper without checking with the author for the updated results.

3.1 Capability

All respondents identified the innovation of individuals and the support of THE SCHOOL for individual creativity. However on issue of leadership, and change the consensus was that THE SCHOOL is not supportive of being inclusive in change situation and that leadership is not recognised as a valued skill. There was agreement too that self managed teams were not valued or used within THE SCHOOL.

3.2 Culture

Each respondent's answers to the Organisational Culture Assessment Instrument (OCAI) was collated and plotted against the model to identify any differences in perception of those who was part of the communities of practice. The results for the members of the communities of practice differed from those who were not part of the community of practice. Those in the group identified the culture of THE SCHOOL as one of moderate stability and control with both external focus and differentiation as well as a balance of an internal focus. Those not in the communities of practice identified the culture of the organisation quite differently. For this group the results were strongly one of stability and control with a strong external focus and a differentiation from other similar organisations.

3.3 Interviews

Each respondent was interviewed after they had reviewed the questionnaire. They were interviewed in their own offices and the interviews were approximately 20-30 minutes in length.

1. Can you tell me about the last time you believe that your creativity and innovation was utilised and accepted into day to day practice within the faculty.

Every respondent was able to identify an area where their own creativity and innovation had been trialled and accepted. Both those from the communities of practice and those outside the communities of practice identified that creativity and innovation are easily achieved in their own discipline areas, specifically in their teaching. Two people from the communities of practice suggested that trust was important. "Building a base of trustworthiness was vital in order to get room to play" or that individuals needed to "couch things well in order to hide the innovation until it could be accepted by all". Those outside the community of practice also identified that innovation was acceptable but talked about innovations within their own teaching teams rather than any School, Faculty or Institution teams. In all cases the respondents discussed their innovations in teaching teams where they were the leaders.

2. Can you tell me about the last time you were resourced sufficiently and supported by the faculty to develop or delivery on your innovation?

All respondents acknowledged that resourcing was plentiful within the School. However there was some difference between the two groups on how people could get access to these resources. Those in the communities of practice discussed how they got access to the resources. They believe that seeking out the money was important. One suggested that "you need to find new ways to get the money you need resource innovations. Another suggested that moving out of the School and finding the money through university channels was the way to go. Another suggested that School planning days were helpful in accessing money. Most suggested that Heads of Schools were the way to get money.

For those individuals who were not part of the communities of practice they suggested that money was available but not easy to access by them. That is, it was usually for others rather than them. One suggested that the resources were available in areas that were so narrowly defined they were difficult to access, while another suggested that resources were available to "better researchers" rather than "great innovators".

3. Can you tell me about your experiences in developing our competencies as an academic in the faculty?

In developing competencies there was no difference evident between the two groups with both groups of individuals suggesting that developing competencies was very much an individual issue requiring individuals to identify what they wanted or where they wanted to go and to do was needed to get there. Everyone identified that their own heads of discipline schools were the best people to discuss this with and all respondents discussed how they had done that themselves in developing their own program for development.

4. Can you tell me about your experiences in a team of innovative academics within this Business School?

Respondents from the different groups answered this question very differently. Those from the communities of practice discussed their creative teaching teams. Each had individual stories of the innovations they had shared in within the specific unit(s) they led. Yet none of them discussed the community of practice in which they had been participating or the cross disciplinary innovations they had participated in. Those who had not been part of the communities of practice discussed the fact that there were no teams, just great people doing innovative stuff who share their time and their war stories. When I specifically probed about their teaching teams they acknowledged that when teaching their units (subjects) they did work with a team of others and they discussed these as supportive groups consisting of tutors and learning designers.

5. Can you tell me about your experience within the faculty that demonstrates its forward thinking culture?

Every respondent discussed THE SCHOOL's external focus particularly its international accreditations and its assurance of learning as an example of the forward thinking of the faculty. On this issue there was no discernable difference in the answers from those who were and those who were not in the communities of practice.

4 SUMMARY

In one SCHOOL two communities of practice were established as teams that were involved in decision making across disciplines to implement and manage a program of assuring learning for an undergraduate program. The outcomes did include a well developed assurance of learning program that received accreditation and acclaim from international review panels. In discussions with members of these teams and others who were not members of these self managed teams other outcomes were identified.

Differences were identified between respondents who were part of the communities of practice and those who were not. When discussing competencies neither group identified that competencies for working in teams or being part of self managing teams were strongly supported or valued. However those within the community of practice did discuss their own experience in their teaching teams as a positive experience, and did acknowledge the innovation as a team innovation and their support for their team. Those who were not part of the community of practice did not recognise their own teaching groups as innovative teams unless pressed. They discussed the innovations as individual.

All respondents supported the view that innovation was encouraged, was supported with resources plentiful though it was acknowledged that these resources were often difficult to access and that individuals needed to be creative to get access specifically for financial resources. No respondent discussed the innovation of the cross discipline teams or their experiences in the team. Competencies of leadership and change management were acknowledged as unsupported in THE SCHOOL regardless of individual experiences in the communities of practice.

5 CONCLUSION

This study is ongoing and further outcomes and conclusions will be available at the termination of the research. At this time, evidence suggests that cross discipline teams in THE SCHOOL had practical outcomes for building an assurance of learning program and achieving international accreditation. While other outcomes in building organisational capability and changing culture may have occurred these need to be developed further if long term benefits of working in cross discipline, self managed teams can be realised for the organisation in terms of building new capabilities that are valued by

individuals. Debriefing of the members of the teams to recognise outcomes and achievements may assist team members to understand outcomes and learnings. Acknowledgement of the innovations of the teams and recognition of the leadership of individuals in these teams and in teaching teams may offer the means to demonstrate the value of leadership. Building rewards into team accomplishments may also assist individuals to value the experience. Greater recognition by senior management of the accomplishments of teams and team successes in change situations would provide the link between change complexities and the innovations of the teams set up to address these issues.

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